

TACOMA NARROWS BRIDGE TOLL OPERATIONS 2008 TOLL RATE ADOPTION SCHEDULE & PROCESS

BRIEFING PAPER

Prepared for the
December 2008 TRANSPORTATION COMMISSION MEETING

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PURPOSE:

As the initial workshop for the evaluation and adoption of toll rates for the new Tacoma Narrows Bridge for Fiscal Year 2009, the purpose of this workshop is to cover four areas:

1. Review 2008 Toll Rate Adoption Schedule
2. Review the updated Tacoma Narrows Bridge Financial Plan Summary;
3. Report on December 6, 2007 Citizen Advisory Committee Meeting
4. Overview of items included in WSDOT 2008 Supplemental Budget request

OUTCOME:

This agenda item is informational, as such; no official action is required by the Commission.

BACKGROUND:

The Commission adopted toll rates for the new Tacoma Narrows Bridge on June 5, 2007. The bridge was officially opened by WSDOT and toll operations commenced on July 16, 2007. This process will provide for the evaluation and update of the toll rates by the Commission. This process will include the establishment of a rate adoption schedule; coordination with the Citizen Advisory Committee; review of updated revenue forecast information; review of the Governor's Supplemental Budget; and will culminate with the adoption of a toll rate in the WAC.

DISCUSSION:

The toll rate adoption schedule takes into account many different variables including the official revenue forecasting schedule, administrative rules for adopting a WAC and coordination with the Citizen Advisory Committee. The proposed draft schedule identifies these key milestones and lays out a process that will target having the toll rates adopted in June 2008. This target date, aligns with the 2007 adoption of toll rates.

The updated financial plan summary reflects minor changes that have not significantly impacted the overall forecast. These updates include changes to the Debt Service that were provided by the Office of the State Treasurer in September; the November revenue forecast that did not materially change the projected revenue (but does include the revenue associated with transponder sales); and changes to cost items as reflected in WSDOT's 2008 Supplemental Budget request.

As reflected in the draft rate adoption schedule, the next revenue forecast is scheduled to be released in February 2008. This forecast will include actual toll operations data through the end of the current year (December 2007). For this update, WSDOT will continue to work with their consultant to update the traffic and revenue model to identify trends in traffic, electronic toll collection usage and violation rates.

The timing of the February forecast will also be useful to include up to date information on costs as reflected in the Governor's 2008 Supplemental Budget that is scheduled to be released later this month.

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